

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

J-Bob LLC, *et al.*,

Plaintiffs,

v.

Case No.: 16-12745

Mike's Garage/Larocca's Towing, LLC,

Honorable Sean F. Cox

Defendant.

**ORDER REQUIRING DEFENDANT TO FILE STATEMENT DISCLOSING
CITIZENSHIP OF ITS MEMBERS**

Plaintiffs filed this action on July 25, 2016, asserting subject matter jurisdiction through diversity of citizenship pursuant to 28 U.S.C. §1332.

“[F]ederal courts have an independent obligation to investigate and police the boundaries of their own jurisdiction.” *Douglas v. E.F. Baldwin & Assocs., Inc.*, 150 F.3d 604, 607 (6th Cir. 1998). Having reviewed Plaintiffs’ complaint, the Court was not persuaded that Plaintiffs have adequately alleged the necessary facts to establish the existence of diversity jurisdiction.

Under 28 U.S.C. §1332(a), the two requirements for diversity jurisdiction are: 1) that the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and 2) that complete diversity of citizenship exists between the disputing parties.

In their Complaint, Plaintiffs did not adequately allege the citizenship of Plaintiff J-Bob LLC or Defendant Mike's Garage/Larocca's Towing, LLC, which are limited liability companies. For purposes of diversity jurisdiction, a “limited liability company is not treated as a corporation.” *Homfeld II, LLC v. Comtair Holdings, Inc.*, 53 Fed. Appx. 731 (6th Cir. 2002); *see also Delay v. Rosenthal Collins Group, LLC*, 585 F.3d 1003 (6th Cir. 2009). Rather, a limited

liability company “has the citizenship of its *members*.” *Id.* (emphasis added).

“When diversity jurisdiction is invoked in a case in which a limited liability company is a party, the court needs to know the citizenship of each member of the company. And because a member of a limited liability company may itself have multiple members – and thus may itself have multiple citizenships – the federal court needs to know the citizenship of each ‘sub-member’ as well.” *Delay, supra*.

As such, this Court issued a Show Cause Order that required Plaintiffs to identify each member (and any sub-members) of each LLC that is a party to this case, and identify the citizenship of each member (and any sub-members). (Docket Entry No. 3).

Plaintiffs responded to the Show Cause Order and adequately set forth the citizenship of Plaintiff J-Bob LLC. Plaintiffs’ response indicates that Plaintiffs’ Counsel believes that the Defendant LLC has just two members, but the documents attached do not support that assertion.

Because the identity of the members of the Defendant LLC is not publicly available, in order to determine if diversity jurisdiction exists in this action, the Court **ORDERS that, along with Defendant’s first responsive pleading, Defendant shall file a short statement, identifying Defendant’s members and the citizenship of each member.**

IT IS SO ORDERED.

S/Sean F. Cox

Sean F. Cox

United States District Judge

Dated: August 9, 2016

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served upon counsel of record on August 9, 2016, by electronic and/or ordinary mail.

S/Jennifer McCoy
Case Manager